

# BLUE HAT INTERACTIVE ENTERTAINMENT TECHNOLOGY

## CHARTER OF THE REMUNERATION COMMITTEE OF THE BOARD OF DIRECTORS

(Adopted on March 18, 2019)

### I. *Adoption of Charter*

The Board of Directors (the “**Board**”) of Blue Hat Interactive Entertainment Technology (the “**Company**”) has adopted this Charter (this “**Charter**”) of the Remuneration Committee of the Board (the “**Committee**”).

### II. *Organization*

#### 1. **Committee Structure and Membership**

The Committee shall consist of at least two (2) directors of the Company (each, a “**Member**” and collectively, the “**Members**”), as determined from time to time by the Board. Each Member shall be “independent” in accordance with the standards of The NASDAQ Stock Market LLC (the “**Exchange Rules**”), as well as guidelines set forth by the Board from time to time, which guidelines the Board will base on, among other things, the provisions of Rule 10C-1(b)(1) under Securities Exchange Act of 1934 (the “**Exchange Act**”), unless the Company utilizes any applicable exemptions under the Exchange Rules.

The Board must consider all factors relevant to determining whether a director has a relationship to the Company which is material to that director’s ability to be independent from management in connection with the duties of a Member, including, but not limited to:

- a. the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and
- b. whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

Each Member must further qualify as a “non-employee director” for the purposes of Rule 16b-3 under the Exchange Act, and as an “outside director” for the purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended.

#### 2. **Appointment**

The Members, including the Chair of the Committee, shall be appointed by the Board based on recommendations from the Nomination and Governance Committee. Members shall serve for such terms as the Board may determine, or until such Member’s successor is duly elected and qualified or until such Member’s earlier death, resignation or removal. Each Member may be removed at any time, with or without cause, by a majority vote of the Board.

The Chair of the Committee (or in his or her absence, a Member designated by the Chair) will chair all regular sessions of the Committee and set agendas for Committee meetings.

### **3. Committee Meetings**

The Committee shall meet as often as it deems necessary. The Chair of the Board, if any, or any Member may call meetings of the Committee. The Committee shall be governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee may invite such members of management to its meetings as it deems appropriate.

The Committee may request any officer or employee of the Company, the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any Members of or consultants to the Committee. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

### **4. Resources and Authority**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without having to seek the approval of the Board. The Committee shall have authority to elect, retain, terminate and approve the fees and other retention terms of consultants used to assist in the evaluation any compensation matters that the Committee may review or for which the Committee is charged with making recommendations, including compensation of officers and directors.

The Committee shall have the authority to conduct or authorize investigations into any matter within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Committee or any advisors engaged by the Committee.

### **5. Reports to the Board**

The Committee shall take minutes of its meetings and activities. The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Chair of the Board, if any.

## **III. Purpose and Responsibilities**

### **1. Purpose**

The purpose of the Committee is to carry out the responsibilities delegated by the Board relating to the review and determination of executive compensation.

### **2. Function and Responsibilities**

The Committee shall have the following authority and responsibilities:

a. To review, and recommend to the Board to determine, annually, the corporate goals and objectives applicable to the compensation of the chief executive officer ("CEO"), evaluate at least annually the CEO's performance in light of those goals and objectives, and recommend to the Board to determine the CEO's compensation level based on this evaluation, including discretionary bonuses and cash incentive awards. The Committee's recommendations regarding performance goals

and objectives and the compensation of the CEO are to be reviewed and approved by the Company's full Board, *provided, however*, the CEO shall not be present during voting or deliberations regarding his or her compensation.

b. To review, and recommend to the Board to determine, annually, the compensation, including discretionary bonuses and cash incentive awards, and the performance goals and objectives relevant to the compensation, of all other executive officers of the Company.

c. To review, modify and determine, or make recommendations to the Board regarding, the Company's overall compensation strategy and policies.

d. To review and approve, or make recommendations to the Board regarding, equity incentive plans, compensation plans and similar programs advisable for the Company, as well as to modify, amend or terminate existing plans and programs.

e. To administer the Company's equity incentive plans, compensation plans and similar programs, except as reserved or otherwise delegated by the Board, as applicable.

f. To review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.

g. To review, and make recommendations to the Board regarding, the terms of any employment agreements, severance arrangements, change in control protections and any other compensatory arrangements for the Company's executive officers.

h. To review, and make recommendations to the Board regarding, director compensation.

i. To prepare any requisite disclosure and reports required in the Company's filings with the Securities and Exchange Commission (the "SEC").

#### **IV. *Delegation of Authority***

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

#### **V. *Outside Advisors***

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside counsel and such other advisors as it deems necessary to fulfil its duties and responsibilities under this Charter. The Committee shall set the compensation, and directly oversee the work, of its outside counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of reasonable compensation to its compensation consultants, outside counsel and any other advisors. Nothing in this Charter shall limit

the Committee's ability or obligation to exercise its own judgment in fulfillment of its duties, nor shall any provision of this Charter require the Committee to implement or act consistently with the advice or recommendations of the compensation consultant, legal counsel or other adviser to the Committee.

The Committee may select or receive advice from, a compensation consultant, legal counsel or other adviser to the Committee, other than in-house legal counsel, only after taking into consideration the following factors:

- a. the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- b. the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- c. the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- d. any business or personal relationship of the compensation consultant, legal counsel or other adviser with a Member;
- e. any shares of the Company owned by the compensation consultant, legal counsel or other adviser; and
- f. any business or personal relationship of the compensation consultant, legal counsel or other adviser, or the person employing the adviser with an executive officer of the Company.

Subject to applicable Exchange Rules, the Committee shall conduct the same "independence" assessment as set forth in Article II, Section 1 of this Charter for each compensation consultant, outside counsel and any other advisors retained by the Committee. The compensation consultant, outside counsel and any other advisors retained by the Committee shall be "independent" in accordance with guidelines set by the Board from time to time, which guidelines the Board will base, to the extent required or deemed appropriate, on the provisions of the Exchange Rules promulgated in response to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the applicable rules and regulations promulgated thereunder by the SEC.

#### **VI. *Periodic Review and Amendment of Charter and Committee***

The Committee shall perform a periodic review and evaluation of the performance of the Committee and the Members, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess annually the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable. The Committee shall conduct such evaluations and reviews in such manner, and at such times, as it deems appropriate. Any amendment or other modification of this Charter shall be made and approved by the full Board.

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